



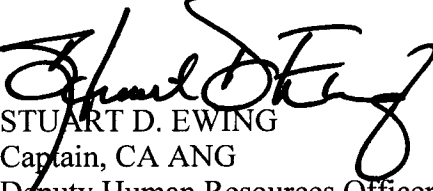
**HUMAN RESOURCES OFFICE
TECHNICIAN / AGR ADMINISTRATIVE INSTRUCTION**

Number: 05-26

3 May 2005

Moratorium on New Recruitment Bonuses, Relocation Bonuses, and Retention Allowances

1. Section 101 of the Federal Workforce Flexibility Act of 2004 (Public Law 108-411, 30 October 2004) provides new authorities to pay recruitment, relocation, and retention bonuses under 5 U.S.C. 5753 and 5754. (The former recruitment and relocation bonus and retention allowance authorities in 5 U.S.C. 5753 and 5754 are replaced by the new recruitment, relocation, and retention bonus authorities.) Public Law 108-411 is effective on 1 May 2005.
2. Under 5 U.S.C. 5753(g) and 5754(h), OPM drafted new regulations to administer recruitment, relocation, and retention bonuses. OPM's regulations are under review and we expect publication soon. **Until OPM's regulations are approved, agencies may not authorize a new recruitment, relocation, or retention bonus on or after 1 May 2005. However, if an individual received a formal offer of a recruitment, relocation, or retention bonus before 1 May 2005, the agency may pay the bonus, as long as the terms associated with the offer were consistent with the regulations in effect when the offer was made.**
3. A recruitment or relocation bonus payment and service agreement that was in effect prior to 1 May 2005 under the former authorities in 5 U.S.C. 5753 and 5 CFR part 575, subparts A or B, remain in effect until its expiration, subject to the law and regulations applicable to bonuses before 1 May 2005. In addition, a retention allowance that was made effective under the former authorities in 5 U.S.C. 5754 and 5 CFR part 575, subpart C, may continue to be paid until the retention allowance is reauthorized or terminated, **but not later than 30 April 2006**, and are subject to the law and regulations applicable to the allowance before 1 May 2005. (Reference sections 101(d)(2) and 101(d)(3) of Public Law 108-411.)
4. Direct questions concerning this TAAI to CMSgt Michael Hunt at DSN 466-3354 or (916) 854-3354; or TSgt Kenneth Cosgrove at DSN 466-3598 or (916) 854-3598.


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